
HOUSE BILL No. 1126

DIGEST OF INTRODUCED BILL

Citations Affected: IC 4-15-15; IC 5-10-8; IC 11-10-5-4; IC 12-24-3-4; IC 20-15-4-3; IC 20-16-4-3.

Synopsis: Teacher employment and compensation. Specifies a grievance procedure for teachers who are employed by the state. Specifies that the salary schedules for compensation of teachers at state institutions must: (1) include a daily rate of pay; and (2) be, at a minimum, equal to the salaries paid by the school corporation having the greatest enrollment in the county where the employing institution is located. Requires the state to provide a group health insurance program to retired state employees who were employed as teachers if the person was employed and participated in the employee's retirement fund for 20 years of which at least ten years were immediately preceding retirement. Makes conforming amendments.

Effective: July 1, 2003.

Pelath

January 7, 2003, read first time and referred to Committee on Appointments and Claims.

C
o
p
y



First Regular Session 113th General Assembly (2003)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2002 Regular or Special Session of the General Assembly.

HOUSE BILL No. 1126

A BILL FOR AN ACT to amend the Indiana Code concerning education.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 4-15-15 IS ADDED TO THE INDIANA CODE AS
2 A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2003]:

4 **Chapter 15. Teachers Employed by State Agencies and**
5 **Institutions**

6 **Sec. 1. This chapter applies to an individual who is employed as**
7 **a teacher in a state institution under:**

- 8 (1) IC 11-10-5;
9 (2) IC 12-24-3;
10 (3) IC 16-33-3;
11 (4) IC 16-33-4;
12 (5) IC 20-15; or
13 (6) IC 20-16.

14 **Sec. 2. (a) Instead of the grievance procedure described in**
15 **IC 4-15-2-35, the grievance procedure established by this chapter**
16 **applies to a teacher who is described in section 1 of this chapter.**

17 **(b) If a teacher wishes to file a grievance concerning an action**



C
o
p
y

1 taken by the teacher's employer, the grievance must be filed
2 according to the following procedure:

3 (1) The teacher may file a grievance with the teacher's
4 immediate supervisor not more than thirty (30) working days
5 after the action taken by the employer occurs.

6 (2) The immediate supervisor shall respond to a grievance
7 filed under subdivision (1) not more than two (2) working
8 days after the immediate supervisor receives the grievance.

9 (3) If the teacher is dissatisfied with the response under
10 subdivision (2), the teacher may file a written grievance with
11 the teacher's intermediate supervisor.

12 (4) The intermediate supervisor shall respond to a written
13 grievance filed under subdivision (3) not more than four (4)
14 working days after the intermediate supervisor receives the
15 written grievance.

16 (5) If the teacher is dissatisfied with the response under
17 subdivision (4), the teacher may file a written grievance with
18 the superintendent of the institution in which the teacher is
19 employed.

20 (6) The superintendent shall respond to a written grievance
21 filed under subdivision (5) not more than ten (10) working
22 days after the superintendent receives the written grievance.

23 (7) If the teacher is dissatisfied with the response under
24 subdivision (6), the teacher may file a written grievance with
25 the state personnel director appointed under IC 4-15-1.8-3 not
26 more than fifteen (15) working days after the teacher receives
27 the response under subdivision (6).

28 (8) The state personnel director shall respond to a written
29 grievance filed under subdivision (7) not more than fifteen
30 (15) working days after the state personnel director receives
31 the written grievance.

32 (9) If the teacher is dissatisfied with the response under
33 subdivision (8), the teacher may file a written grievance with
34 the state employees' appeals commission under 33 IAC 1 not
35 more than fifteen (15) working days after the teacher receives
36 the response under subdivision (8).

37 (10) The state employees' appeals commission shall set a
38 hearing date on the written grievance filed under subdivision
39 (9) not more than thirty (30) working days after the state
40 employees' appeals commission receives the written grievance
41 and shall render a decision not more than thirty (30) working
42 days after the date of the hearing unless this period is

C
o
p
y



extended by the written consent of all parties.

(11) If the teacher is dissatisfied with the response under subdivision (10), the teacher may submit the grievance to arbitration not more than fifteen (15) working days after the teacher receives the response under subdivision (10).

(12) The arbitrator to whom the grievance is submitted under subdivision (11) shall hold a hearing and shall render a decision not more than thirty (30) working days after the hearing.

(c) An arbitrator to whom a grievance is submitted under subsection (b)(11) must be selected from:

(1) the American Arbitration Association; or

(2) the Federal Mediation and Conciliation Service, if an arbitrator is not available from the American Arbitration Association;

according to selection procedures established by the arbitrator's association or service.

(d) Costs of arbitration under this chapter shall be shared equally by the employer and the teacher or the teacher's organization.

(e) If the employer does not comply with the timelines set forth in subsection (b), the grievance proceeds to the next step of the procedure.

(f) A teacher who files a grievance under this chapter may choose a representative to represent the teacher in the grievance process under this section.

(g) The decision of the arbitrator is a final order subject to judicial review in accordance with IC 4-21.5-5.

Sec. 3. (a) This section provides the procedure to determine the salary and salary schedule for teachers who are described in section 1 of this chapter.

(b) A chief administrative officer who employs teachers or the officer's designee shall prescribe a salary schedule for each institution where teachers are employed. Subject to the approval of the state personnel department and the budget agency, the salary schedule must include a daily rate of pay for each teacher. Except as provided in subsection (c), the amounts listed in the salary schedule must, at a minimum, equal the amounts provided for those same items by the school corporation having the largest enrollment in the county where the institution is located.

(c) This subsection applies only to teacher's salaries in correctional institutions. The amounts listed in the salary schedule



C
O
P
Y

1 must, at a minimum, equal the amounts provided for those same
 2 items by the school corporation where the correctional institution
 3 is located if one (1) of the following applies:

4 (1) The school corporation where the correctional institution
 5 is located is the school corporation having the largest
 6 enrollment in the county.

7 (2) The correctional institution is located in a county having
 8 a population of:

9 (A) more than seventeen thousand (17,000) but less than
 10 seventeen thousand five hundred (17,500); or

11 (B) more than one hundred thousand (100,000) but less
 12 than one hundred five thousand (105,000).

13 (d) The chief administrative officer of the agency or institution
 14 that employs teachers shall prescribe the terms of the annual
 15 contract awarded to licensed teachers qualifying for payment
 16 under the salary schedule described in subsection (b).

17 (e) The hours of work for all teachers shall be set in accordance
 18 with IC 4-15-2.

19 (f) An adjustment to the salary of a state employee related to a
 20 change in benefits provided to the state employee under IC 5-10-8
 21 must also apply to the salary of a teacher.

22 SECTION 2. IC 5-10-8-6.5, AS ADDED BY P.L.233-1999,
 23 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 24 JULY 1, 2003]: Sec. 6.5. (a) A member of the general assembly may
 25 elect to participate in either:

26 (1) the plan of self-insurance established by the state police
 27 department under section 6 of this chapter;

28 (2) the plan of self-insurance established by the state personnel
 29 department under section 7 of this chapter; or

30 (3) a prepaid health care delivery plan established under section
 31 7 of this chapter.

32 (b) A former member of the general assembly who meets the criteria
 33 for participation in a group health insurance program provided under
 34 section ~~8(e)~~ 8 or 8.1 of this chapter may elect to participate in either:

35 (1) the plan of self-insurance established by the state police
 36 department under section 6 of this chapter; or

37 (2) a group health insurance program provided under section ~~8(e)~~
 38 8 or 8.1 of this chapter.

39 (c) A member of the general assembly or former member of the
 40 general assembly who chooses a plan described in subsection (a)(1) or
 41 (b)(1) shall pay any amount of both the employer and the employee
 42 share of the cost of the coverage that exceeds the cost of the coverage

C
o
p
y



under the new traditional plan.

SECTION 3. IC 5-10-8-8, AS AMENDED BY P.L.13-2001, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 8. (a) This section applies only to the state and employees who are not covered by a plan established under section 6 of this chapter.

(b) ~~After June 30, 1986,~~ **Except as provided in subsection (c),** the state shall provide a group health insurance plan to each retired employee:

(1) whose retirement date is:

(A) after June 29, 1986, for a retired employee who was a member of the field examiners' retirement fund;

(B) after May 31, 1986, for a retired employee who was a member of the Indiana state teachers' retirement fund; or

(C) after June 30, 1986, for a retired employee not covered by clause (A) or (B);

(2) who will have reached fifty-five (55) years of age on or before the employee's retirement date but who will not be eligible on that date for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq.;

(3) who will have completed twenty (20) years of creditable employment with a public employer on or before the employee's retirement date, ten (10) years of which shall have been completed immediately preceding the retirement; and

(4) who will have completed at least fifteen (15) years of participation in the retirement plan of which the employee is a member on or before the employee's retirement date.

(c) The state shall provide a group health insurance program to each retired employee:

(1) who was employed as a teacher in a state institution under:

(A) IC 11-10-5;

(B) IC 12-24-3;

(C) IC 16-33-3;

(D) IC 16-33-4;

(E) IC 20-15; or

(F) IC 20-16;

(2) who is at least fifty-five (55) years of age on or before the employee's retirement date;

(3) who is not eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq.; and

(4) who has at least:

(A) twenty (20) years of service credit as a participant in

C
o
p
y



1 **the retirement fund of which the employee is a member on**
 2 **or before the employee's retirement date; or**
 3 **(B) ten (10) years of service credit completed immediately**
 4 **preceding the participant's retirement.**

5 **(d)** The state shall provide a group health insurance program to each
 6 retired employee:

- 7 (1) who is a retired judge;
- 8 (2) whose retirement date is after June 30, 1990;
- 9 (3) who is at least sixty-two (62) years of age;
- 10 (4) who is not eligible for Medicare coverage as prescribed by 42
- 11 U.S.C. 1395 et seq.; and
- 12 (5) who has at least eight (8) years of service credit as a
- 13 participant in the Indiana judges' retirement fund, with at least
- 14 eight (8) years of that service credit completed immediately
- 15 preceding the judge's retirement.

16 ~~(d)~~ **(e)** The state shall provide a group health insurance program to
 17 each retired employee:

- 18 (1) who is a retired participant under the prosecuting attorneys
- 19 retirement fund;
- 20 (2) whose retirement date is after January 1, 1990;
- 21 (3) who is at least sixty-two (62) years of age;
- 22 (4) who is not eligible for Medicare coverage as prescribed by 42
- 23 U.S.C. 1395 et seq.; and
- 24 (5) who has at least ten (10) years of service credit as a participant
- 25 in the prosecuting attorneys retirement fund, with at least ten (10)
- 26 years of that service credit completed immediately preceding the
- 27 participant's retirement.

28 ~~(e)~~ **(f)** The state shall make available a group health insurance
 29 program to each former member of the general assembly or surviving
 30 spouse of each former member, if the former member:

- 31 (1) is no longer a member of the general assembly;
- 32 (2) is not eligible for Medicare coverage as prescribed by 42
- 33 U.S.C. 1395 et seq. or, in the case of a surviving spouse, the
- 34 surviving spouse is not eligible for Medicare coverage as
- 35 prescribed by 42 U.S.C. 1395 et seq.; and
- 36 (3) has at least ten (10) years of service credit as a member in the
- 37 general assembly.

38 A former member or surviving spouse of a former member who obtains
 39 insurance under this section is responsible for paying both the
 40 employer and the employee share of the cost of the coverage.

41 ~~(f)~~ **(g)** The group health insurance program required under
 42 subsections (b) through ~~(e)~~ **(f)** must be equal to that offered active

C
o
p
y



employees. The retired employee may participate in the group health insurance program if the retired employee pays an amount equal to the employer's and the employee's premium for the group health insurance for an active employee and if the retired employee within ninety (90) days after the employee's retirement date files a written request for insurance coverage with the employer. However, the employer may elect to pay any part of the retired employee's premium with respect to insurance coverage under this chapter.

~~(g)~~ **(h)** Except as provided in subsection ~~(j)~~, **(k)**, a retired employee's eligibility to continue insurance under this section ends when the employee becomes eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq., or when the employer terminates the health insurance program. A retired employee who is eligible for insurance coverage under this section may elect to have the employee's spouse covered under the health insurance program at the time the employee retires. If a retired employee's spouse pays the amount the retired employee would have been required to pay for coverage selected by the spouse, the spouse's subsequent eligibility to continue insurance under this section is not affected by the death of the retired employee. The surviving spouse's eligibility ends on the earliest of the following:

- (1) When the spouse becomes eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq.
- (2) When the employer terminates the health insurance program.
- (3) Two (2) years after the date of the employee's death.
- (4) The date of the spouse's remarriage.

~~(h)~~ **(i)** This subsection does not apply to an employee who is entitled to group insurance coverage under IC 20-6.1-6-1(c). An employee who is on leave without pay is entitled to participate for ninety (90) days in any health insurance program maintained by the employer for active employees if the employee pays an amount equal to the total of the employer's and the employee's premiums for the insurance.

~~(i)~~ **(j)** An employer may provide group health insurance for retired employees or their spouses not covered by this section and may provide group health insurance that contains provisions more favorable to retired employees and their spouses than required by this section. A public employer may provide group health insurance to an employee who is on leave without pay for a longer period than required by subsection ~~(h)~~ **(i)**.

~~(j)~~ **(k)** An employer may elect to permit former employees and their spouses, including surviving spouses, to continue to participate in a group health insurance program under this chapter after the former employee (who is otherwise qualified under this chapter to participate

C
o
p
y



in a group insurance program) or spouse has become eligible for Medicare coverage as prescribed by 42 U.S.C.A. U.S.C. 1395 et seq. An employer who makes an election under this section may require a person who continues coverage under this subsection to participate in a retiree health benefit plan developed under section 8.3 of this chapter.

SECTION 4. IC 11-10-5-4, AS AMENDED BY P.L.170-2002, SECTION 79, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 4. (a) All teachers employed by the department are subject to all provisions of law concerning the minimum salary of teachers and membership in any teachers' retirement fund plan. The commissioner or the commissioner's designated representative shall annually determine the salary schedule of the largest school corporation of the county in which each correctional institution is located:

(b) Except as provided in subsections (c) through (f), from the information described in subsection (a), the commissioner shall prescribe, subject to approval by the state personnel department and the budget agency, a salary schedule for each correctional institution, using a daily rate of pay for each teacher, which must be equal to that of the largest school corporation in the county in which the correctional institution is located:

(c) The commissioner shall prescribe the terms of the annual contract awarded to licensed teachers qualifying for payment under the schedule established under subsection (b):

(d) Hours of work for all teachers shall be set in accordance with IC 4-15-2:

(e) If the school corporation in which the correctional institution is located becomes the largest school corporation in the county in which the correctional institution is located, the daily rate of pay for each teacher must be equal to that of the school corporation in which the correctional institution is located without regard to whether the school corporation in which the correctional institution is located remains the largest school corporation in the county:

(f) Using a daily rate of pay for each teacher, the salary schedule for each correctional institution located in a county having a population of:

(1) more than seventeen thousand (17,000) but less than seventeen thousand five hundred (17,500); or

(2) more than one hundred thousand (100,000) but less than one hundred five thousand (105,000);

must be equal to that of the school corporation in which the correctional institution is located:

(b) IC 4-15-15 applies to teachers who are employed by the department.



C
o
p
y

SECTION 5. IC 12-24-3-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 4. (a) Each year the director shall set a salary schedule for each of the educational systems established in a state institution as provided in subsections (b) and (c):

(b) The director shall set a salary schedule by using a daily rate of pay for each teacher that equals the rate of pay of the largest school corporation in the county in which the state institution is located. If the school corporation in which the state institution is located becomes the largest school corporation in the county in which the state institution is located, the daily rate of pay for each teacher must equal that of the school corporation in which the institution is located; without regard to whether the school corporation in which the state institution is located remains the largest school corporation in the county:

(c) The salary schedule set by the director is subject to the approval of the state personnel department and the budget agency:

(d) The director shall prescribe the terms of the annual contract. The prescribed annual contract shall be awarded to licensed teachers qualified for payment under the salary schedule prescribed under this section. The director shall advise the budget agency and the governor of this action:

(e) Hours of work for all teachers shall be set in accordance with ~~IC 4-15-2~~: **IC 4-15-15 applies to teachers employed by state institutions.**

SECTION 6. IC 20-15-4-3, AS ADDED BY P.L.69-1999, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 3. (a) The board shall prescribe subject to the approval of the state personnel department and the budget agency, a salary schedule for the school, using a daily rate of pay for each teacher which must be equal to that of the largest school corporation in the county in which the school is located:

(b) The board shall prescribe the terms of the annual contract awarded to licensed teachers qualifying for payment under the salary schedule as described in subsection (a):

(c) The hours of work for all teachers shall be set in accordance with ~~IC 4-15-2~~: **IC 4-15-15 applies to teachers employed by the school.**

SECTION 7. IC 20-16-4-3, AS ADDED BY P.L.69-1999, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 3. (a) The board shall prescribe subject to the approval of the state personnel department and the budget agency, a salary schedule for the school using a daily rate of pay for each teacher, which must be equal to that of the largest school corporation in the county in which the school is located:

C
o
p
y



- 1 (b) The board shall prescribe the terms of the annual contract
2 awarded to licensed teachers qualifying for payment under the salary
3 schedule as described in subsection (a).
4 (c) The hours of work for all teachers shall be set in accordance with
5 ~~IC 4-15-2~~. **IC 4-15-15 applies to teachers employed by the school.**

C
o
p
y

